

~~TOP SECRET~~

Messe

10100

OSTP Room

KB4 (copy 1)
1-20-87

JT -

Review has Chronol. involvement

Finding Jan 17

North + GP

Jan 7 86 - first. NSC type mtg. Sit Rm. then
a few gather in oval office.

- almost no notes. so sensitive.

P, VP, W, Sh, DR, BC, GP -- may be further
not on a Rm.- Initiative to Iran - GP talk most, + BC. Overtones to
moderates. Help war end. get reasonable pol. on terrorism,
+ use influence - hostages.

BS - Sept Israel. ship? - no.

JT - draft finding Jan 6 -- knew nothing.

BC had documents + talked from.

ESM - arms? EM - yes. good faith POW.

they do hostages. 30-60 days. Sequence. arms - hostage -
more arms. Don't tell Cong until have hostages. 1 hr 20 min.

W + Sh agreed. VP, DR? BC +. Close 51-49

decision. ~~But~~ EM saw benefits -- tie to Iran, + hostages - His
own judgement.

BS + JT - thorough, + on downside? EM - yes,

GS - allies, policy. W - terrorism GP - special, not at
odds, would be exception. EM - short term, + stop fast if
didn't wk. Do in stages.

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thoroughly briefed, esp. looking back.

JT go into operational - shady charac, could leak, etc. EM - did on transfer from Army to CDA + Israelis, Gholamfar prob. mentioned. Thinness wasn't - not that it would be revealed. Other Iran factions discussed - yes. Not Khark. -- not detail finance, front money. JT - Pres. got impression of Israeli tie & then for secure? EM

ESM - name - EM Gholamfar, Rafsanjani. JT - Casey had sent letter on Gholamfar. EM didn't Pres - Burr best?

- decision to do it.

Wk later 1 or 2 mtgs. Jan 16, 5:46pm.

W, S Sp, BC, JP + EM

Other mtg: BC, JP, M previous mtg. + Andre Paul Thompson - lawyer -- on law + funding + Cong. notif. 1985 amendments. Not de act - we to transfer weapons. Cong: colloquies in Cong Rec - could delay notif Cong. BS - Atty Gen. Smith - check? No. EM - use only Arms Exp. Ctrl Act, not Cong. notif. leakage from S S C D -- happened then.

We worried, so held tightly. S Sp - did wk - EM concurred. Not formal opinion process within Dept.

Memo Jan 17 -- EM didn't see then. Just

Jan 17 Friday.

Jan 7 - out of blue. No paper. ESM - so if Jan 6 Friday, he didn't know

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Jan 17 - out of town - Probably at NSB.

Summer 1986 - Crim Div Steve Holt - briefing notes
in NY present. report came to Iran. -- Gov't approve.
EM said check. Talked JP, said no. T-163

BS - any trick to reroute after first 1000 TOLs?
EM - no. NSC staff would do. EM - gave legal
advice. NSPG - no progress report.

Next - late Oct 86 -

Next - late Oct 88. 7 EM.
Jan 16+17 - JT: never saw draft finding. Did not find
signoff - EM - did see draft 10. If essent. same
BS - his reqs to do VSD 459? - EM - no. Role of AG
in finding is limited. Not ops or monitoring.

Late Oct - J-P call, open line - SAT + FBG problem.
Iran operation - FBG would interfere.

10 Days. Had S. Thott call FBS - see if it would infringe. found could do. FBS delayed longer. met at EM request. Not buying the ~~single~~ injuri - wouldn't have done if had hampered.

Nov - news broke

Pres. talk - Oval Office. EM wasn't involved, he thinks -
usually not. No NSC meeting

Nov-19 - news conf. - TV. EM saw on TV. Concerned -
 RR didn't have facts - Called JP. JP said correction
 on 3rd country. Meet next day on BC listening.
 EM was to go to WPmt - delayed to evening. Chan Chon.
 of NSC (2nd one) was large. SA, PTh. Charles Cooper

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There - Facts hairy. Testimony of BC ≠ NSC Chron.
Was so compartmentalized.

Exp Hawks Nov 85. C Cooper called lots.
abe Sofari had info on Nov 85 - widely known.
Earlier ~~than~~ NSC Chron. -- EM called Howard

1100 am Told RR SR JP, conclude if didn't
learn what happened. Testimony in diary - RR
asked EM to do & be ready for 200 Mon NSPG
after BC (21st) 24th mtd. EM did. 3 people
C Cooper Brad Reynolds (Ch. Str Plan Bd) + John
Richardson (pers. asst).

Not first. Bill Webster. agreed was
admin, not FBI. No verbatim starts. Not criminal investigation.
If FBI, would be accused of using FBI for politics.

Sat - Brad R at NSC

Spokane
Sun pm ON

Remberg by phone.
pm BC at home

home - BC said Fumark. Told JP. JP
said all ok. No diversion - Fumark story - Condram
would say diversion, to press NS to get \$. Not explicit
contra.

Sat - Sat 300 Reynolds - found 1 doc, plan # to Contras -
Sun got copy - 4-6 pp. Undated, attached dated doc on
terms of ref April 4. Place date by verb-tense also.
Sun pm ON -- nothing on Contras - Talked
from doc. Inquired. Reluctantly said funds had been

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Transferred \$3M. to Contras

2-3 times -

EM 10-30 was guess on that.

EM left 400.

ON said came from Israeli early Jan 86. Israel
said ~~we~~ info. aid. ON said no, Boland. Use other -

BS - memo.

EM - ON said he wrote. Said

hadn't sent it.

ESM - when get memo? EM - no. Paul
Thompson got docs. ON helped assemble.

EM didn't know if

ESM -

EM -

ON said with diffidence

that at least once discussed -

Described accts - - Contras

setup, ON gave # to Isr.

3 accts for Contras in Swiss.

3 Contra guys?

JP - Isr. pay to accts (or arrange) they knew
were accts

Peres called Nov. 25. Said just told Iran
acct #s.

JP - deciphering? EM - Contras had access. Write check,
etc. ON sufficiently

Contras accessed accts directly - ON said.

Mon 24th
Division -

1100

PR.

- Just DFICR & EM. Said

NSC 2-4 on Iran - After, saw JP. JP said
asked for hints, didn't look. knew # to Contras - said he
knew he would have to resign.

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all news to R. Said don't hold back.

Then DR

~~DR~~ VP - knew nothing

630 25th - call - at cm. B Com phone. DR ~~DR~~
had talked to BC. Went to his house. 715. DR
called there. DR would see 800. Said JP resign -
EM met DR 900

1150

900 - JP resigned. DR EM + RR - get full
NSC 10:15 let know. 1100 Cong 1200 Public.

ON go to Mammie; Sp Rev Bd, JP resign, make
facts known.

Had to go with informed speculation. Had to
go with. Give overview of all they knew. Take
initiative - no coverage Watergate on mind.

ESM - ON - understood legal limits.

Any justification? EM - yes, not US \$, - wanted to be
legal. Talked to Webster. Had ESM people begin
looking at law - saw some possible criminal (C Cooper). Brought
in Criminal Div. Dep AG called WH to secure docs - early pm
(Tues at WH all day until 800.) 95th

- already had key docs.

- JP comment - saw illegal? No, just saw
bushy - Contar + Jan.

JP ON - who knew: ON JP McF. (mentioned
on trip)

ON. Mon - saw McF. - thought authorized - Heard from

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ESM - legal? EM - q. was criminal acts - Crim Div -
EM - saw:

- constructive trust - sale of US - property of US -
agency theory
Tues.

Wed 789 briefed formally -

EM stopped asking for briefing - have possible indep
counsel. Titled Dec 4, "Covered person" under
indep counsel statute.

ON didn't say BC knew.

~~BC didn't say~~ to Fumab.

BC gave Allen memo re Fumab. Memo BC prepared for JP
(may not have sent.) got on 96. gave to 789.

CM - Israeli role + ON: very impt. in generating idea.

Peres call - said arrange for Jan to put in acct. according
to US. Wanted stay with us. EM knows Peres.

ON - said he gave acct # to Israelis + they had
put # into acct. Impression was Iss. handled #.

Speculation - ON busy, so Secord may have
handled details. Didn't mention Secord except

Hawk Nov-85 - one who told ON they were Hawks, not
oil drilling. ON said Secord (don't recall). Nov-Jan
ON got concerned op. wasn't run right - so moved in -
ON said he wasn't fully engaged before.

ON told Iss. what acct, what to do.
one acct - fake.

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didn't mention investors. - Iran + US didn't trust
-- so had to use middle + up front \$. (ON didn't say
this)

- any other sources of \$.

ghorbani get off top for expenses. Then to CIA
act for Army. What left goes to Contras.

Price - ON said price greater than CIA.
3-4M, + 1M to Ghorbani. - ON: Iran - ships after Oct 86 -
real q. of price, didn't need to overcharge anymore
because Cong gave \$. and Iran balked at price.

No US wps shipped until Jan 86. 4 shipments:
2 Hawk parts, TOW, Td 10 Oct 86
Ghorbani only 1.

gone to Oct, dropped Ghorbani. - Nephew of Rafi.

JP - brief time. Didn't show memo Apr 4 86.
mentioned. JP said he didn't have detailed knowledge.
Didn't want to look into. Thought good.

No record of JP

Note on Me #, ON, broken - yrs.
ON didn't say who in Contras could access.

- had no doubt money had been diverted.

JP - could ON have been flown if flawed?

EM - no reason to believe.

ON - ~~said~~ may have mentioned Afghan,

- no discussion of people putting up up
front money.

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BC+ acts? - yes. CIA act. 900-300K left to
reunite Army + transp. that's all he knew.

Aug 85 - late 85 -- McF source. Kinche
3 mtds gl+Aug. - McF London Dec 7 - Kinche, Nomade,
ghoba. Jan 86 Neri + JP here -- got things
going. led to draft findings -- built on Sporkin
draft of late
ON said Neri ^{got it} started in Jan

Oral finding --

Never heard. first was McF at Long EM
never talked with anyone. -- asked McF attys -- they
said it wasn't EM. Fog looked at -- did happen
in past -- context of follow-up with paper like
(unetap)

retroactive ratf of oral T. EM -- may be
legit, but he wouldn't want to defend.

Who told McF -- oral? Doesn't know.
how of NSC staff?

1985 - don't need funding. Only if CIA involved.
NSC asked to find proprietary airline, + that's all.
Someone at CIA found wgs not oil.

Sporkin -- mtds -- retro funding
80 Hawks -- wrong ones. No hostages. Israeli bigger
plane.

Legal find? EM -- by telling San Lucea to do
oil drilling, is ok. If knew wgs, then different.

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25X1, E.O.13526

Use of CSA to affect an operations, [redacted] etc.
Change opinion of need for opinion? Yes - not gathering intelligence.

CM - if US say replenish, would it need
- yes, Pres. would have to decide - McT vague -
said McT and PK only knew after fact - Now changed.
- Agreed to give legal memos

BS - Inail - quiet to watch. Receipt
- depends on which law

McT - Ser. - if send, replenish? (McT denied)
Rat approval

ESM Contras - ON + private - \$. auth? EM
doesn't know.

- apparent auth to divert, arising from this.
JP - broad hints
ON - told JP

ostensible auth.
Legal to raise private \$? - Yes. Only a few (CSA + DOJ)
prohibited
(confusion here)

- CM - 12 laws? no - guess. Staff got 4-5.

Key was funds as property of US.

Use Ag to help get \$ info. EM - yes.
from Indp C.

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NR - plan 3-86 Chemically treated # to get Peter Kilburn.
Any knowledge? No.

EM -

need better definition of NSC gyps, charter, requirements
to get authority.

- 90 different wk gyps - FBS dealing with.
- collapse some of these.
- NSC st. - no ctrl of ops. May need special assignments

Why CIA not do? - So sensitive. Hold tight. Is
wrong to do.

Can't keep things secret anymore.

go spec. Operation Sec. JASOC -- does stay
secret. (hook)

-- unprofessional gyp - doesn't get their way
on things.

- Should AG sign off on covert findings?

- EM - yes. Asst AG + op. He
assigns for Intell Sec. Auth.

CM - Pres. expectations for NSC -- in WH at
beginning.

- Pres wanted get away from czar. Get to
digits, esp ll. Also do CIA. NSA be staff, not
operator. Right to Mess. But lots of conflicts. NSA
needed access to Pres to better referee. Need someone
who makes things happen, but not take over. Expedite, catalyze,
summarize ideas. Same as Ex Asst to Gov of Calif -

13:05
JT

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Was cabinet.

Tension Maj Bundy - - + St + DOD.

Came to middle ground with Clark. Solve with personalities.

Access only by COS? Needs access with Pres ~~when~~ COS be there if wants; must keep COS informed.

12:10